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City of Detroit

CITY COUNCIL

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TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: June 16, 2014

RE: **REVIEW OF CONTRACTS AND PURCHASING FILES**

Attached is the list of contracts and purchase orders recommended by the Finance Department, Purchasing Division. The items are submitted to the City Council for referral to the Committees on June 17, 2014.

The comments and review of the Legislative Policy Division staff are printed in bold following the contracts.

Attachments

cc:	Janice Winfrey	City Clerk
	Mark Lockridge	Auditor General
	Palencia Mobley	Mayor's Liaison
	Boysie Jackson	Purchasing Division
	Irvin Corley	Legislative Policy Division
	Marcell Todd	Legislative Policy Division

Statistics compiled for the list of Contracts and Purchases submitted for referral on June 17, 2014.

Department	No. of Contracts or Purchase Orders	Detroit-Based Business Bids	Change, Extension Increases, Renewals	Located in Detroit
Planning & Developpt.	1	0	0	1
Public Works	1	0	0	1
Transportation	2	0	0	1
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Totals	4	0 Detroit-Based Business Bids	0	3

This list represents expenditures totaling \$ 4,637,158.00¹

Included in the total costs and revenue are the following:

City General Fund	\$ 0.00
Block Grant Fund	100,000.00
Street Funds	\$ 2,900,484.00
Transportation Grant Fund	\$ 1,636,674.00

¹ This list includes: Contracts recommended for a 1-time purchase, and terms of 18 months and 3 years.
Contracts and Purchase Orders submitted for Regular Session of June 17, 2014

TO: The HONORABLE CITY COUNCIL

FROM David Whitaker, Director
Legislative Policy Division

DATE: June 16, 2014

RE: **CONTRACTS AND PURCHASE ORDERS SCHEDULED TO BE CONSIDERED AT
THE FORMAL SESSION OF JUNE 17, 2014**

PLANNING AND DEVELOPMENT

2892371 100% Federal Funding – Public Facility Rehabilitation – To Provide Housing and Economic Development Programs, Recreational and Educational Services, Health and Safety Initiatives for Youth and Families – Contractor: Abayomi Community Development Corporation, Location: 24331 W. Eight Mile Road, Detroit, MI 48219 – Contract Period: June 30, 2014 through December 31, 2015 – Contract Amount: \$100,000.00

Costs budgeted to Block Grant Fund, Acct. 2001-363051-768513-651161-10612-0-A3050, Appropriation for Abayomi Community Development includes available funding of \$101,038, as of June 12, 2014.

Funding awarded from 2012-2013 CDBG awards for neighborhood improvement projects proposed by citizens and neighborhood groups. Project Coordinator for the Agency is Tawnya Morris.

This contract is indicated to be for a Public Facility Rehabilitation authorized as part of the Neighborhood Opportunity Fund for 2012.

Renovation to include: Fire Suppression System, Interior renovation that includes drywall, carpet, ceiling tiles, and paint.

Facility to be rehabilitated is used for: Housing and economic development programs, recreational and educational services, health and safety initiatives for youth and families.

Budgeted costs of the rehabilitation include: Construction costs of \$89,200; Advertising for \$800; Professional Consultant costs of \$10,000.

Contract checklist, dated February 14, 2014, indicates this contract is essential, to implement the grant funding as authorized with the approved community organization.

Covenant of Equal Opportunity Affidavit signed 10-13-13;

TAXES: Good Through 10-7-14 and 8-15-14;

Slavery Era Records Disclosure Affidavit signed 11-13-13, indicating Agency established 1998, no records to disclose;

Hiring Policy Compliance Affidavit signed 11-13-13, employment application submitted complies.

PUBLIC WORKS

2893857 100% State Funding – To Provide Traffic Signal Maintenance – Contractor: Motor City Electric, Location: 9440 Grinnell St., Detroit, MI 48213 – Contract Period: July 1, 2014 through June 30, 2017 – Contract Amount: \$2,900,484.00 / 3 years

Requesting a Waiver of Reconsideration.

Costs budgeted to Major Street Fund, Acct. 3301-193821-000048-622900-06424-0-A4570, Appropriation for Operations includes available funding of \$23,274,867 as of June 12, 2014.

8 Bids solicited, 3 Bids received on Open Market for services to provide maintenance of traffic signals. This recommendation is for approval of the Lowest Bid received from Motor City Electric, for an estimated cost of \$2,900,484 over the 3-year term.

In addition to traffic signals, this contract includes the maintenance of: Internally illuminated street signs; driver feedback signs, pedestrian signals, steel and wood poles, and all equipment that is part of the City's Traffic Signal System. The contract covers 3 categories of work – Routine and Annual Maintenance, Major Maintenance projects, and Emergency Repairs.

The proposed contract includes the following costs:

Routine preventative maintenance for fee of \$59 each (691 traffic signals) for \$40,769 per month;

Materials cost (4% markup) of \$26,000 per month;

Storage and handling at \$200/month;

Handling charges of materials obtained by DPW \$300 per month;

Cost for added services, normal working hours at \$99/hour (100 hours) for \$9,900 per month;

Cost for added services, overtime hours at \$136/hour (25 hours) for \$3,400 per month.

The total estimated cost per year is \$966,828.

Other Bids received include: J. Ranck Electric for \$1,092,732 per year; and Rauhorn Electric for \$1,542,348 per year.

Contract checklist, dated June 9, 2014, indicates this contract is required to maintain the City's traffic signal system to prevent safety hazards to roadway users.

Covenant of Equal Opportunity Affidavit signed 5-22-14;

Detroit Headquartered Business certification good through 12-27-14;

TAXES: Good Through 10-1-14 and 7-31-14;

Slavery Era Records Disclosure Affidavit signed 5-22-14, indicating no records to disclose;

Hiring Policy Compliance Affidavit signed 5-22-13; Employment Application submitted complies.

The previous contract, with J. Ranck Electric, for Traffic Signal Maintenance (PO 2818630) was approved in July 2010, for a term of 3 years, and a cost of \$5,493,385; This contract was extended 1 year, through June 30, 2014, for a total of 4 years, with no change in the total cost, which resulted in an annual cost of approximately \$1,373,346.25.

There are also additional contractors that provide design/engineering services for placement, modernization and timing of traffic signals.

TRANSPORTATION

2883326 20% State, 80% Federal Funding – To Provide Transportation Services to Eligible Low-Income and Disabled Residents of the City of Detroit – Contractor: Comfort & Care Transportation, Location: 13555 Wyoming, Detroit, MI 48235 – October 31, 2013 through October 31, 2016 – Contract Amount: \$1,548,000.00

Costs budgeted to Transportation Grants Fund, Acct, 5303-208397-000059-617900-10330-0-DOT51, Appropriation for Fed/State Grants includes available funding of \$131,871,832 as of June 12, 2014.

This contract is for transportation services to Detroit residents through the Job Access and Reverse Commute, and New Freedom programs. Services are to improve transportation to employment and employment related activities for welfare recipients and other eligible low-income residents to transport individuals to suburban employment opportunities. The New Freedom program is for transportation to elderly/disabled residents for non-medical emergencies that are not accessible through regular paratransit or designated transportation routes.

Proposals were received from 7 vendors and evaluated in August 2013; the 5 highest ranked proposals were recommended to receive contracts. Contracts have been approved with Wrightway Transportation (No. 2882989) for \$1,180,000, Moe Transportation (No. 2883231) for \$1,116,000, Detroit Area Agency on Aging (No. 2883525) for \$1,080,000, and Checker Cab (No. 2883536) for \$1,800,000. The proposal received from Comfort and Care Transportation was ranked 4th.

This contract also provides to each contractor the opportunity to use capital equipment (vehicles) provided by DDOT to provide the transportation services.

Fares are set by DDOT and include: JARC for \$1.50/trip; and New Freedom for \$2.50/trip. Contractor to collect fares as partial payment for each passenger trip; DDOT to pay the contractor for the balance of the cost per passenger trip.

DDOT has defined all the parameters that govern the services to be delivered, the department is to ensure the services are provided as defined, ensuring compliance with all requirements, and implement any correct actions for poor performance of the services.

Contract checklist, dated Dec. 9, 2013, indicates this contract is essential for transportation services to the elderly, disabled and low-income residents.

Covenant of Equal Opportunity Affidavit signed 6-24-13;

TAXES: Good Through 8-29-14 and 6-30-14;

Slavery Era Records Disclosure Affidavit signed 6-24-13, indicating business established 2011, no records to disclose;

Hiring Policy Compliance Affidavit signed 6-24-13, Employment Application submitted complies.

Amendment 1 to this Contract No. 2883326 with Comfort and Care, was previously submitted to the City Council and referred to the Public Health and Safety Committee on April 15, 2014; Amendment 1 has been held in the Committee until this initial contract has been submitted and approved.

Transportation Department - *continued*

2894010 20% State, 80% Federal Funding – To Provide There (3) Sport Utility Vehicles for DDOT
– Contractor: Galeana’s Van Dyke Dodge, Location: 28400 Van Dyke, Warren, MI
48093 – One Time Purchase – Contract Amount: \$88,674.00

Costs budgeted to Transportation Grants Fund, Acct, 5303-208409-000058-644600-10330-0-DOT51, Appropriation for Fed/State Grants includes available funding of \$131,871,832 as of June 12, 2014.

4 Bids solicited, 2 Bids received on Open Market for the purchase of 3 sport utility vehicles. This recommendation is for approval of the purchase order with the Lowest Bid received from Galeana’s Van Dyke Dodge for a total cost of \$88,674. This cost includes \$26,993 per vehicle, plus \$2,565 per vehicle for an Extended Warranty of 5 years or 100,000 miles. The vehicles are indicated to be the 5-passenger, 4-wheel drive, Dodge Durango SXT; the cut-off date for production of these vehicles is July 25, 2014.

The other bid was submitted by Jefferson Chevrolet for \$112,200 (\$37,400 per vehicle).

Contract checklist, dated June 2, 2014, indicates this purchase is necessary to supplement the vehicle pool.

Covenant of Equal Opportunity Affidavit signed 3-24-14;

TAXES: Good Through 4-16-15 and 12-30-14;

Slavery Era Records Disclosure Affidavit signed 3-24-14, indicating no records to disclose;

Hiring Policy Compliance Affidavit signed 2-18-14, Employment Application submitted complies.

City Council recently approved a purchase order with Galeana’s Van Dyke Dodge (No. 2893077) on June 10, 2014, for 7 Pick-up Trucks at \$23,157 each and \$25,105 each, to replace older vehicles. These vehicles are indicated to be used by department maintenance staff.